CITY OF PORT ALBERNI

British Columbia, Canada

87-04507/

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NOTE: The users of the Financial Report of the City of Port Alberni who require information additional to that provided in this Report may obtain a more detailed report upon request to:

Treasurer, City of Port Alberni,
4850 Argyle Street,
Port Alberni, British Columbia
V9Y 1V8

Treasurer's Report

March 11th, 1987

City Council,
City of Port Alberni,
Port Alberni, B.C.

Your Worship and Aldermen:

In accordance with Section 397 of the "Municipal Act", R.S.B.C. 1979, I herewith submit the financial report for the year ended December 31st, 1986.

The following observations are included for your information:

1. **REPORTING FORMAT**
   The 1986 report conforms to the format used on the forms required to be submitted to the Ministry of Municipal Affairs. This format differs from that used within the General Revenue Fund budget only in our treatment of capital expenditures and reserves for the Parks & Recreation Commission and the Alberni Harbour Quay Commission. We draw your attention to the "Notes to Financial Report" section wherein we are reporting on relevant accounting Matters under three main headings:
   1) Significant Accounting Policies
   2) Translation of Foreign Currency
   3) Contingent Liabilities

2. **CASH**
   (a) *Investments and Bank Account* — the investment of funds, surplus to our immediate requirements, produced revenue in excess of $196,000 during 1986 compared to $194,000 during the previous year. At the peak, we had $10,000,000 invested. Interest paid by the bank on amounts on deposit in our current account during the year was almost $134,000 compared to $83,000 in the year previous. Interest rates prevailing in 1986 decreased by approximately 1.5 percentage points, while our cash position increased by approximately $400,000 at the year ended 1986 compared to the previous year.

   (b) *Borrowing* — we have compared 1986 to 1985 for temporary borrowing requirements incurred during the first half of the year, prior to receiving our taxation revenue.

	MAXIMUM BORROWING	COST
1986	$1,100,000	$12,979
1985	$2,600,000	$70,852

3. **TAX COLLECTION**

The Municipal Statistics section of the report reveals that Total Taxes Collected as a Percentage of Current Levy at 99.81% for 1986 has slipped back to the level of performance before the peak in 1984 & 1985. This compares to the 1985 (the last for which statistics are available) Province wide average of all cities at 102.01% and for all municipalities at 101.67%. The decline in the collection record in 1986 can be understood when one considers the increase in Property Taxes—Receivable from $658,542 to $848,583 (I.E. Approximately $190,000) which represents an increase of 28.8% in 1986. As previously stated we are only able to compare statistics for the rest of the province for 1985.

	PERCENTAGE DECREASE IN PROPERTY TAXES RECEIVABLE FOR 1985 OVER 1984
Port Alberni	36.6%
Average All Cities	15.3%
Average All Municipalities	13.6%

4. **TRUST FUNDS**

The amount due to General Funds from the Industrial Mall Trust Fund for net accumulated operating costs increased from $101,550 in 1985 to $117,996 at the end of 1986. The increase in this amount arises from the insufficiency of revenue to meet operating costs. These costs include loan interest due to the Province amounting to $36,255 in 1986.

5. **OTHER PERTINENT MATTERS**

The construction of major improvements to our water reservoirs which began in 1984 was completed in 1986. The total cost of the improvements was $3,060,022, primarily financed by a 20 year security issue. The project received grants totalling $556,250 from the Province under the Revenue Sharing--Water Capital Grant program.

Respectfully submitted,

C.H. Schick, Treasurer

Directory of Officials

ELECTED OFFICIALS 1986

Mayor G.R. Trumper
Aldermen
J. Jack
J.R. Stanhope
D. Whyte
W.E. Behn
J. Bathurst
A.A. Schroeder

ELECTED OFFICIALS 1987

Mayor G. R. Trumper
Aldermen
J. Jack
H. Anderson
D. Whyte
J. Mitchell
A. Briggs
A.A. Schroeder

APPOINTED OFFICIALS 1987

City Manager	J. Sawyer
City Clerk	G.A. Wiley
Treasurer and Collector	C.H. Schick
City Engineer	R.R. Congdon
Fire Chief	D.W. Phillips
Purchasing Agent	C. Mooney
Building Inspector	W. Bach
Data Processing Supervisor	R.W. Wilkins
Licence Inspector	M.D. Boylan
Area Assessor - B.C. Assessment Authority	R.A. Loggin
Solicitor	W. Beckingham
Officer Commanding R.C.M.P. Detachment	Inspector J. Matthewson
Emergency Programme Co-Ordinator	L. Lewis
Medical Health Officer - C.V.I. Health Unit	Dr. P.J. Reynolds
Auditors	D.G. Murray
Bankers	Bank of Montreal
Planning Consultant	Regional District of Alberni Clayoquot

PORT ALBERNI PARKS AND RECREATION COMMISSION

1986

Chairman R. Haynes
Vice Chairman D. Brett
J. Jack
R. Erickson
J. Bathurst
A. Markin
L. Baird
D. Houle
R.T. Eyford

Superintendent of Parks and Recreation
D.J. Brimacombe

1987

Chairman R. Haynes
Vice Chairman D. Brett
A. Briggs
J. Jack
R. Erickson
L. Baird
D. Houle
D. Morrow
A. Markin

Superintendent of Parks and Recreation
D.J. Brimacombe

1987 ADVISORY PLANNING COMMISSION

Chairman J. R. Gilbert
D. Willis
J. Mitchell
S.Sall
T. Wolanski
H. Nedergard
R.J. Spencer

ALBERNI HARBOUR QUAY COMMISSION

1986

Chairman M. Ketteringham
R. Cole
R. Burnip
A. Broadway
D. Whyte

Manager of Alberni Harbour Quay
L. Breese

1987

Chairman M. Ketteringham
R. Cole
R. Burnip
H. Anderson
A. Broadway

Auditors' Report

To the Mayor and Aldermen,
City of Port Alberni,
Port Alberni, B.C.

In accordance with Section 391 of the Municipal Act, I report that:

I have examined the balance sheets, statements of revenue and expenditure and such other related statements of the City of Port Alberni as were considered necessary for the year ended December 31st, 1986.

My examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as I considered necessary in the circumstances, and

In my opinion the financial statements attached hereto present fairly the financial position of the municipality as at December 31st, 1986 and the results of its operations for the year then ended, in accordance with accounting principles generally accepted for British Columbia municipalities applied on a basis consistent with that of the preceding year.

DAVID G. MURRAY
Chartered Accountant
Port Alberni, B.C.
March 11, 1987

CITY OF PORT ALBERNI

Consolidated Balance Sheet at December 31st, 1986

ASSETS	GENERAL	CAPITAL FUNDS WATER	SEWER	TOTAL
Cash and term deposits	$ 48,491			$ 48,491
Due from provincial government				
Due from own funds				
Accounts receivable				
Accrued interest	3,044			3,044
Investments				
Inventories				
Properties acquired for taxes				
Prepaid expenses				
M.F.A. debt reserve				
Fixed Assets				
Engineering structures	21,396,233	$ 9,598,552	$ 5,026,180	36,020,965
Buildings	6,309,197	128,237	58,028	6,495,462
Machinery and equipment	2,237,641	383,870	328,915	2,950,426
Land	1,708,051	10,257	125	1,718,433
Other				
	$ 31,702,657	$10,120,916	$ 5,413,248	$47,236,821
LIABILITIES				
Due to provincial government				
Due to other local governments				
Accounts payable				
Due to own funds				
Wages payable				
Accrued payables				
Deposits and prepayments				
M.F.A. debt reserve				
Reserves for future expenditures				
Asset valuation reserves				
Debenture debt	$ 3,343,752	$ 2,844,298	$ 1,497,725	$ 7,685,775
Other debt	1,185,500			1,185,500
Reserve fund balance				
Equity in fixed assets	27,173,405	7,276,618	3,915,523	38,365,546
Surplus				
	$ 31,702,657	$10,120,916	$ 5,413,248	$47,236,821

GENERAL	REVENUE FUNDS WATER	SEWER	TOTAL	RESERVE FUNDS	TRUST FUNDS	TOTAL ALL FUNDS
$ 2,907,821			$ 2,907,821	$ 2,500,385	$ 23,701	$ 5,480,398
	$ 137,250	$ 133,343	270,593			270,593
132,166	316,851	6,657	455,674	342,723	120	798,517
1,078,481	150,182		1,228,663		(51)	1,228,612
39,665			39,665	154,478	1,395	198,582
25,000			25,000			25,000
430,524			430,524			430,524
62,507			62,507			62,507
777			777			777
483,521	210,482	16,921	710,924			710,924
						36,020,965
						6,495,462
						2,950,426
						1,718,433
					727,813	727,813
$ 5,160,462	$ 814,765	$ 156,921	$ 6,132,148	$ 2,997,586	$ 752,978	$57,119,533

$ 71,441			$ 71,441			$ 71,441
72,143			72,143			72,143
1,037,630			1,037,630			1,037,630
666,351			666,351	$ 14,200	$ 117,966	798,517
109,225			109,225			109,225
70,955			70,955			70,955
103,481	$ 5,495		108,976			108,976
483,521	210,482	$ 16,921	710,924			710,924
1,272,015		140,000	1,412,015			1,412,015
106,072			106,072			106,072
						7,685,775
					725,710	1,911,210
				2,983,386	(90,698)	2,892,688
						38,365,546
1,167,628	598,788		1,766,416			1.766,416
$ 5,160,462	$ 814,765	$ 156,921	$ 6,132,148	$ 2,997,586	$ 752,978	$ 57,119,533

GENERAL CAPITAL FUND
BALANCE SHEET AT DECEMBER 31st, 1986

ASSETS	1986	1985
Cash on hand and in bank	$ 48,491	$ 47,643
Accrued interest	3,044	—
Tangible assets		
Engineering structures	21,396,233	20,918,741
Buildings	6,309,197	6,290,413
Machinery and equipment	2,237,641	1,866,363
Land	1,708,051	1,697,036
Work in progress		
Local improvement projects	—	97,615
	$ 31,702,657	$ 30,917,811
LIABILITIES AND EQUITY		
Due to own funds		
General revenue funds	—	$ 97,615
Long-term debt		
Debenture debt	$ 3,343,752	3,885,483
Other liabilities		
Forgivable loan-TIDSA	1,185,500	1,185,500
Equity in fixed assets	27,173,405	25,749,213
	$ 31,702,657	$ 30,917,811

GENERAL CAPITAL FUND
SCHEDULE OF EQUITY IN FIXED ASSETS AT DECEMBER 31st, 1986

	1986	1985
Balance at the beginning of the year	$ 25,749,213	$ 24,633,305
Add:		
Contributions from general revenue funds	463,387	758,616
Contributions from equipment replacement reserve fund	313,680	2,053
Contributions from commuted payments	41,551	43,715
Interest earned	3,892	3,305
Debenture debt repaid from general revenue funds	558,419	483,058
Actuarial increases in sinking funds	44,813	32,616
Less:		
Depreciation	—	195,602
Cost of issuing debentures	935	7,093
M.F.A. debt reserve fund	615	4,760
Balance at the end of year carried forward to general capital fund balance sheet	$ 27,173,405	$ 25,749,213

GENERAL REVENUE FUND
BALANCE SHEET AT DECEMBER 31st, 1986

ASSETS	1986	1985
Cash on hand and in bank	$ 2,907,821	$ 2,524,459
Receivables		
Property taxes	848,583	658,542
Due from provincial government	17,260	202,358
General capital fund	—	97,615
Municipal transit fund	2,395	5,035
Water capital fund	—	13,763
Sewer revenue fund	—	11,314
Industrial mall trust fund	117,966	101,550
Land sale reserve fund	14,200	52,518
Trade accounts	210,243	151,376
Accrued interest	39,665	14,683
Land sales receivable	—	39,400
Total receivables	1,250,312	1,348,154
Investments	25,000	25,000
Inventories	430,524	406,028
Properties acquired for taxes		
Deeded to municipality	38,020	33,795
Subject to redemption	24,487	199,008
Prepaid expenses	777	—
M.F.A. debt reserve fund	483,521	467,210
	$ 5,160,462	$ 5,003,654
LIABILITIES AND SURPLUS		
Payables		
Provincial government	$ 71,441	$ 72,770
Other local governments	72,143	87,639
Equipment replacement fund	342,723	613,135
Cemetery care fund	120	170
Water revenue fund	316,851	353,984
Sewer revenue fund	6,657	—
Trade accounts	1,037,630	766,866
Wages and benefits payable	109,225	63,572
Accrued payables	70,955	91,984
Deposits and prepayments	103,481	86,090
Other liabilities		
M.F.A. debt reserve fund	483,521	467,210
Reserves		
Future expenditures	1,272,015	940,658
Asset valuation allowances	106,072	138,798
Total liabilities	3,992,834	3,682,876
Surplus		
Balance at beginning of the year	1,320,778	772,311
Add general revenue fund surplus for the year	227,478	548,467
Less appropriation of prior years surplus	380,628	—
Balance at end of year	1,167,628	1,320,778
	$ 5,160,462	$ 5,003,654

GENERAL REVENUE FUND
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31st, 1986

REVENUE	1986	1985
Taxation		
Real property tax	$ 9,211,558	$ 8,383,696
Business tax	—	591,495
Utility tax	21,982	22,789
Total taxation	9,233,540	8,997,980
Grants in lieu of taxes	507,910	438,666
Services provided to other governments	182,511	180,550
Sales of service	457,124	578,205
Recreation and cultural services	553,908	560,352
Licences and permits	143,307	140,291
Fines and costs	13,990	13,453
Rentals	147,867	130,628
Return on investements	341,041	288,275
Penalties and interest	150,925	152,337
Other income	45,532	54,742
Unconditional transfers from other governments	809,666	787,941
Conditional transfers from other governments	119,347	51,786
Transfer from own reserves	675,927	837,946
Surplus transferred from prior years	380,628	—
Sub-total revenues	13,763,223	13,213,152
Collections for other governments		
School authorities	5,556,571	7,424,334
Regional hospital district	59,569	153,438
Regional district	546,669	527,085
Municipal finance authority	3,358	3,393
B.C. assessment authority	245,423	240,824
Municipal transit trust fund	174,023	194,539
Total collections for others	6,585,613	8,543,613
Total revenue for the year	$ 20,348,836	$ 21,756,765

GENERAL REVENUE FUND
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31st, 1986

EXPENDITURE	1986	1985
General government services	$ 1,081,434	$ 948,217
Protective services		
Police protection	1,843,018	1,807,556
Fire protection	1,341,035	1,321,952
Emergency measures	54,674	40,211
Building and plumbing inspection	56,832	56,101
Animal and pest control	74,252	79,647
Transportation services		
Common services	475,788	319,743
Roads and streets	1,123,022	944,603
Environmental health services	431,485	437,281
Public health and welfare services	20,629	23,065
Environmental development	322,900	266,251
Recreation and cultural services	3,269,757	3,038,412
Fiscal services		
Debt services	1,165,307	1,108,829
Transfer to reserves	1,166,897	939,772
Transfer to water revenue fund	43,487	43,486
Transfer to sewer revenue fund	589,472	524,520
Contributions to general capital fund	463,387	758,616
Sub-total expenditures	13,523,376	12,658,263
Transmission of taxes collected for others		
School authorities	5,556,886	7,421,011
Regional hospital district	59,650	153,385
Regional district	547,230	527,144
Municipal finance authority	3,360	3,393
B.C. assessment authority	245,695	240,728
Municipal transit trust fund	174,216	194,547
M.F.A. debt reserve transfer	10,945	9,827
Total of transmission of taxes	6,597,982	8,550,035
Total expenditures for the year	20,121,358	21,208,298
Balance being the excess of revenue over expenditure for the year	227,478	548,467
	$ 20,348,836	$ 21,756,765

SEWER CAPITAL FUND
BALANCE SHEET AT DECEMBER 31st, 1986

ASSETS	1986	1985
Tangible assets		
Engineering structures	$ 5,026,180	$ 5,026,180
Buildings	58,028	58,028
Machinery and equipment	328,915	315,927
Land	125	125
	$ 5,413,248	$ 5,400,260
LIABILITIES AND EQUITY		
Long-term debt		
Debenture debt	$ 1,497,725	$ 1,622,168
Accumulated depreciation	—	855,208
Equity in fixed assets	3,915,523	2,922,884
	$ 5,413,248	$ 5,400,260

SEWER CAPITAL FUND SCHEDULE OF EQUITY IN FIXED ASSETS AT DECEMBER 31st, 1986

	1986	1985
Balance at beginning of the year	$ 2,922,884	$ 2,925,679
Add:		
Debenture debt repaid from sewer revenue funds	108,665	103,182
Actuarial additions to sinking funds	15,778	13,244
Contribution from E.R.R.F.	12,988	—
Reversal of prior years depreciation	855,208	—
	$ 3,915,523	$ 3,042,105
Less:		
Depreciation	—	119,221
Balance at the end of the year carried forward to the sewer capital fund balance sheet	$ 3,915,523	$ 2,922,884

SEWER REVENUE FUND
BALANCE SHEET AT DECEMBER 31st, 1986

ASSETS	1986	1985
Receivables		
Due from province-sewerage facilities grants	$ 133,343	$ 151,314
Due from own funds - general revenue fund	6,657	—
Trust and other assets		
M.F.A. debt reserve fund	16,921	88,201
	$ 156,921	$ 239,515
LIABILITIES AND SURPLUS		
Payables		
Due to general revenue fund	—	$ 11,314
Other liabilities	16,921	88,201
Reserves		
Reserve for future expenditures	140,000	140,000
Surplus		
Balance in account	—	—
	$ 156,921	$ 239,515

SEWER REVENUE FUND
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31st, 1986

REVENUE	1986	1985
Sales of service	$ 5,129	$ 2,966
Local improvement charges - frontage tax	55,259	55,068
Sewerage facilities grants	133,344	156,554
Transfer from reserves	140,000	82,000
Contribution from general revenue fund	534,212	469,452
Return on investments - M.F.A. debt reserve	(71,280)	(50,142)
	$ 796,664	$ 715,898
EXPENDITURE		
Administration	$ 33,261	$ 32,729
Sewage collection system	76,768	56,750
Sewage pump stations	81,513	72,126
Sewage treatment and disposal	55,180	56,468
Other operating costs	11,337	11,144
Debt charges	469,885	396,823
Transfer to reserves	141,000	140,000
M.F.A. debt reserve income transfer	(71,280)	(50,142)
	$ 796,664	$ 715,898

WATER CAPITAL FUND
BALANCE SHEET AT DECEMBER 31st, 1986

ASSETS	1986	1985
Cash on hand and in bank	$ —	$292,567
Tangible assets		
Engineering structures	9,598,552	6,175,638
Buildings	128,237	128,237
Machinery and equipment	383,870	331,224
Land	10,257	10,257
Work in progress	—	2,581,164
	$ 10,120,916	$ 9,519,087
LIABILITIES AND EQUITY		
Payables		
Due to general revenue fund	$ —	$ 13,763
Long-term debt		
Debenture debt	2,844,298	2,933,000
Accumulated depreciation	—	2,162,369
Equity in fixed assets	7,276,618	4,409,955
	$ 10,120,916	$ 9,519,087

WATER CAPITAL FUND
SCHEDULE OF EQUITY IN FIXED ASSETS
AT DECEMBER 31st, 1986

	1986	1985
Balance at beginning of the year	$ 4,409,955	$ 4,347,163
Add:		
Contributions from water revenue fund	557,923	285,894
Contribution from E.R.R.F.	44,766	—
Debenture debt repaid from water revenue	88,702	—
Interest earned on bank account	12,903	—
Reversal of prior years depreciation	2,162,369	—
Less:		
Depreciation	—	150,070
Cost of issuing debenture 1%	—	13,702
M.F.A. reserve	—	29,330
Balance at the end of the year carried forward to the water capital fund balance sheet	$ 7,276,618	$ 4,409,955

WATER REVENUE FUND
BALANCE SHEET AT DECEMBER 31st, 1986

ASSETS		1986		1985
Due from Province	$	137,250	$	—
Receivables				
Due from general revenue fund		316,851		353,984
Customer accounts		150,182		154,474
Trust and other assets				
M.F.A. debt reserve fund		210,482		207,911
	$	814,765	$	716,369
LIABILITIES AND SURPLUS				
Payables				
Customer prepayments	$	5,495	$	4,810
Other liabilities				
M.F.A. debt reserve fund		210,482		207,911
Surplus				
Balance at beginning of the year		503,648		220,443
Add:				
Water revenue surplus for the year		95,140		283,205
Balance at end of the year		598,788		503,648
	$	814,765	$	716,369

WATER REVENUE FUND
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31st, 1986

REVENUE	1986	1985
Sale of water		
Flat rate sales	$ 757,901	$ 758,857
Metered sales	355,657	376,794
Total Sales	1,113,558	1,135,651
Other service charges	13,567	11,311
Return on investments	2,571	46
Water frontage tax	43,487	43,486
Capital projects grant	556,250	—
	$ 1,729,433	$ 1,190,494
EXPENDITURE		
Administration	$ 147,479	$ 145,006
Purification and treatment	11,732	12,331
Service of supply	51,276	28,850
Transmission and distribution	275,431	266,863
Pumping	103,886	95,208
Other operating costs	61,904	65,887
Debt charges	415,731	—
Fiscal services	2,571	46
Transfer to equipment replacement reserve	6,360	7,204
Contributions to water capital fund	557,923	285,894
Total expenditure for the year	1,634,293	907,289
Balance being the excess of revenue over expenditure for the year	95,140	283,205
	$ 1,729,433	$ 1,190,494

LAND SALE RESERVE FUND
BALANCE SHEET AT DECEMBER 31st, 1986

ASSETS		1986		1985
Cash on hand and in bank	$	721,557	$	698,738
Accrued interest		41,732		—
	$	763,289	$	698,738
LIABILITIES AND RESERVE				
Due to general revenue fund	$	14,200	$	52,518
Statutory reserve fund balance				
Balance at beginning of the year		646,220		652,259
Add:				
Interest earned		54,686		46,879
Land sale receivable collections		62,383		100
	$	763,289	$	699,238
Less:				
Subdivision development costs		2,895		29,516
Land acquisition costs		11,305		23,502
Balance at end of the year		749,089		646,220
	$	763,289	$	698,738

CEMETERY CARE TRUST FUND
BALANCE SHEET AT DECEMBER 31st, 1986

ASSETS		1986		1985
Cash on hand and in bank	$	23,701	$	22,272
Due from general revenue fund		120		170
Accrued interest		1,395		—
	$	25,216	$	22,442
RESERVE				
Trust fund balance				
Balance at beginning of the year		22,442		19,418
Add:				
Proceeds received during the year		944		1,621
Interest earned		1,830		1,403
Balance at end of the year		25,216		22,442
	$	25,216	$	22,442

EQUIPMENT REPLACEMENT RESERVE FUND
BALANCE SHEET AT DECEMBER 31st, 1986

ASSETS	1986	1985
Cash on hand and in bank	$ 1,778,828	$ 1,577,727
Due from general revenue fund	342,723	613,135
Accrued interest	112,746	—
	$ 2,234,297	$ 2,190,862
RESERVE		
Statutory reserve fund balance		
Balance at beginning of the year	$ 2,190,862	$ 1,708,922
Add:		
Interest on investments	140,713	100,805
Transfers from general revenue fund	267,797	373,206
Transfers from water revenue fund	6,360	7,204
Sale proceeds	—	2,778
	$ 2,605,732	$ 2,192,915
Less:		
Equipment purchased during the year	371,435	2,053
Balance at end of the year	2,234,297	2,190,862
	$ 2,234,297	$ 2,190,862

INDUSTRIAL MALL TRUST FUND
BALANCE SHEET AT DECEMBER 31st, 1986

ASSETS	1986	1985
Due from general revenue fund	$ —	$ —
Trade receivables	(51)	389
Assets acquired	727,813	727,813
	$ 727,762	$ 728,202
LIABILITIES AND RESERVE		
Due to general fund - operating	$ 117,966	$ 101,550
IDSA loan	725,710	725,710
Trust fund balance (deficit)		
Balance at beginning of the year	(99,058)	(24,122)
Add:		
Rentals and recoveries	24,244	15,387
Less:		
Marketing and management	1,810	6,185
Building maintenance	3,005	34,245
Interest	36,285	49,893
Balance at end of the year (deficit)	(115,914)	(99,058)
	$ 727,762	$ 728,202

SCHEDULE OF FIXED ASSETS AT DECEMBER 31st, 1986

	ENGINEERING STRUCTURES	BUILDINGS	MACHINERY EQUIPMENT	LAND	TOTAL
GENERAL CAPITAL FUND					
General Government		$ 525,118	$ 249,396	$ 77,510	$ 852,024
Protective Services					
Fire Department		328,059	314,834	34,039	676,932
Police Department		960,297	49,722	4,153	1,014,172
Pound and Pest Control	$ 4,448	50,533	3,907		58,888
Transportation Services					
Workshop and Yard		353,637	899,611	67,175	1,320,423
Bridges	73,875				73,875
Drains, Ditches and Dykes	3,220,438				3,220,438
Streets, Roads and Sidewalks	15,686,744				15,686,744
Off Street Parking	210,709				210,709
River Road Flood Control	218,707				218,707
Argyle Street Water Lot	65,602				65,602
Environmental Health					
Garbage Collection			179,615	1	179,616
Public Health					
Health Centre		129,488		4,438	133,926
Recreation and Cultural Services					
Parks and Playgrounds	899,408	266,336	309,509	1,188,079	2,663,332
Arena and Curling Rink		581,454	37,917	23,062	642,433
Swimming Pools	20,228	478,848	46,086	41,944	587,106
Glenwood Centre		99,200	26,852	9,945	135,997
Gyro Youth Centre		45,646	8,639		54,285
Echo '67 Community Centre		460,599	85,498		546,097
Library — Museum		905,346	11,246		916,592
Alberni Harbour Quay	996,073	1,124,637	10,942	75,035	2,206,687
Other Services					
Cemetery				147,216	147,216
Waterfront Property				1,370	1,370
1912 Buick			3,461		3,461
Emergency Measures			405		405
Marina				34,084	34,084
	$ 21,396,232	$ 6,309,198	$ 2,237,640	$ 1,708,051	$ 31,651,121
SEWER CAPITAL FUND					
Collection System	$ 5,026,180	$ 58,028	$ 328,915	$ 125	$ 5,413,248
WATER CAPITAL FUND					
Source of Supply	$ 4,092,244	$ 128,238	$ 383,870	$ 10,257	$ 4,614,609
Distribution System	5,506,307				5,506,307
	$ 9,598,551	$ 128,238	$ 383,870	$ 10,257	$ 10,120,916
	$ 36,020,963	**$ 6,495,464**	**$ 2,950,425**	**$ 1,718,433**	**$ 47,185,285**

SCHEDULE OF DEBENTURE DEBT AT DECEMBER 31st, 1986 (indicating the principal and interest for 1987)

PURPOSE	AMOUNT OUTSTANDING ISSUED BY OWN ISSUE	M.F.A.	TOTAL	1987 REQUIREMENTS PRINCIPAL	INTEREST
General capital fund	$ 721,568	$ 2,622,184	$ 3,343,752	$ 563,576	$ 503,034
Water capital fund	—	2,844,298	2,844,298	88,702	327,029
Sewer capital fund	408,623	1,089,102	1,497,725	114,659	188,471
	$ 1,130,191	$ 6,555,584	$ 7,685,775	$ 766,937	$ 1,018,534

MUNICIPAL TRANSIT TRUST FUND BALANCE SHEET AT DECEMBER 31st, 1986

ASSETS	1986	1985
Cash on hand and in bank	$ 61,639	$ 148,153
LIABILITIES AND RESERVE		
Due to province	$ 64,602	$ 141,332
Due to general revenue fund	2,395	5,035
Deferred revenue	2,128	1,064
Balance at beginning of the year (deficit)	722	(22,707)
Add:		
Tax levy	174,216	194,547
Interest earned	7,061	3,860
Revenue from operation	108,283	108,520
	$ 290,282	$ 284,220
Less:		
Payments to B.C. Transit	287,208	273,505
Municipal administration cost	10,560	9,993
Balance at end of the year (deficit)	(7,486)	722
	$ 61,639	$ 148,153

NOTES TO FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31st, 1986

1. SIGNIFICANT ACCOUNTING POLICIES

(a) The City reports its activities on the fund accounting basis that is followed by British Columbia municipalities.

(b) Investments are carried at cost.

(c) Inventories are valued at cost on the first-in first-out basis.

(d) Fixed assets and depreciation:

(i) The Ministry of Municipal Affairs issued the following accounting principle during 1986: "Depreciation should not be recorded for minicipal accounting purposes." In order to comply with the principle, the city has ceased its policy of claiming depreciation.

(ii) General Funds - prior to 1986 equipment and furnishings are recorded net of depreciation applied using the declining balance method. All other fixed assets are recorded at cost. No depreciation is recorded in 1986 and no depreciation has been reversed in the accounting record.

(iii) Water and Sewer Funds - prior to 1986 all capital assets were recorded at cost and depreciation was recorded on a straight line basis using rates determined in accordance with the estimated life of the assets. No depreciation is recorded in 1986 and depreciation claimed prior to 1986 has been added back to Equity in Fixed Assets. The amount reversed is as follows:
Water Capital Fund $2,162,369.
Sewer Capital Fund $855,208.

2. TRANSLATION OF FOREIGN CURRENCY

(a) No provision has been made in the accounts for any possible future foreign exchange losses. Actual foreign exchange costs incurred on interest and principal repayments during the year are recorded as expenditures in that year.

(b) Included in debenture debt outstanding are $728,946 of U.S. dollar issues. The equivalent estimated Canadian dollar amount at December 31st, 1986 is $1,012,798.

(c) Included in demand notes outstanding are $125,043 of U.S. dollar issues. The equivalent estimated Canadian dollar amount at December 31st, 1986 is $173,734.

3. CONTINGENT LIABILITIES

(a) Debt issued by the Regional District of Alberni-Clayoquot is a direct, joint and several liability of the District and each member municipality, including the City.

(b) The loan agreements between the Regional District of Alberni-Clayoquot and the City with respect to borrowing provided by the Municipal Finance Authority provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the District obligation in respect to such borrowing, the resulting deficiency becomes a liability of the City.

(c) No reserve has been provided for employee sick leave accruals, because there is no payout on termination.

MUNICIPAL STATISTICS

	1977	1978	1979
Population (based on last census)	19,597	19,597	19,597
Assessed Valuations for General Purposes Assessed values are actual values for 1983 and subsequent years			
Land	13,665,446	15,213,483	18,702,822
Improvements	49,873,116	51,014,635	55,600,484
Total	63,538,562	66,228,118	74,303,306
Per Capita Assessment for General Purposes	3,242	3,379	3,792
Tax Rates for Residential Class Tax rates for 1983 and subsequent years are expressed in $ per thousand of actual value			
General	49.994	52.455	48.993
Debt	9.780	10.152	8.810
School District - Local	40.853	46.591	48.683
Regional Hospital District	1.180	1.558	1.391
Municipal Finance Authority	.020	.018	.018
Regional District	2.078	2.427	1.837
Assessment Authority	1.271	1.445	1.430
Municipal Transit	—	—	—
Total Tax Rate - Residential	105.176	114.646	111.489
Current Tax Levy			
General	3,183,950	3,473,928	3,616,214
Debt	622,797	672,335	650,270
School District - Local	4,155,429	5,502,257	6,397,013
- Provincial	—	—	—
Other Levies — Special Assessments	233,303	270,115	269,667
Regional Hospital District	118.036	180,839	179,512
Municipal Finance Authority	2,001	2,089	2,332
Regional District	207,569	281,708	237,048
Assessment Authority	127,139	167,724	185,254
Municipal Transit	—	—	42,340
Total Tax Levy	8,650,224	10,550,995	11,579.650
Per Capita Tax Levy	441.40	538.39	590.89
Tax Collection			
Current Taxes Owners Payments	7,188,877	9,015,204	9,622,487
Provincial Home Owner Grants	1,294,928	1,375,201	1,815,593
Total Current Taxes Collected	8,483,805	10,390,405	11,438,080
Percentage of Current Levy	98.08	98.48	98.78
Arrears and Delinquent Collected	222,221	260,039	187,895
Percentage of Current Levy	2.57	2.46	1.62
Total Taxes Collected	8,706,026	10,650,444	11,625,975
Percentage of Current Levy	100.64	100.94	100.72
Unpaid Taxes			
Current	192,544	177,478	157,314
Arrears	91,253	58,832	72,965
Total Unpaid Taxes	283,797	236,310	230,279
Per Capita	14.48	12.06	11.75

1980	1981	1982	1983	1984	1985	1986
20,032	20,032	19,892	19,892	19,892	19,892	19,892
20,191,572	18,915,422	26,176,820	128,187,211	128,332,254	104,935,475	105,166,319
63,624,253	68,625,430	81,980,075	355,867,866	350,196,077	345,976,372	345,888,683
83,815,825	87,540,852	108,147,195	484,055,077	478,528,331	447,526,697	447,338,102
4,184	4,370	5,437	24,334	24,056	22,498	22,488
46.975	57.100	57.329	7.71	8.06	9.48	9.6657
8.317	7.046	5.285	1.08	1.09	1.19	1.2644
48.838	50.877	43.053	5.40	5.12	5.66	5.9121
1.235	1.252	1.164	1.15	.12	.09	.0355
.020	.020	.018	.002	.002	.002	.0020
2.080	1.745	1.777	2.41	.25	.31	.3258
1.295	1.295	1.199	.14	.14	.14	.1463
.739	.864	.924	1.06	.09	.11	.1037
109.499	120.199	110.749	18.952	14.9	16.98	17.4555
3,926,967	4,995,331	6,192,929	6,184,158	6,408,221	7,072,948	7,784,534
695,276	616,412	570,909	866,392	863,039	890,870	1,018,212
7,094,509	8,284,297	1,729,759	1,619,989	1,554,036	1,514,098	1,593,990
—	—	8,617,448	7,388,090	7,322,478	5,910,235	3,962,581
284,032	312,551	413,191	421,330	373,268	442,667	430,794
175,982	205,767	239,521	191,620	198,717	153,438	59,569
2,850	3,287	3,704	3,345	3,318	3,393	3,357
296,391	286,791	365,660	402,636	414,549	527,085	546,669
184,532	207,112	246,723	233,923	235,557	240,824	245,423
105,304	141,999	190,135	176,404	143,836	194,539	174,023
12,765,843	15,053,547	18,569,979	17,487,887	17,517,019	16,950,097	15,819,152
637.27	751.47	933.54	879.14	880.60	852.11	795.25
10,778,035	13,005,310	15,996,064	14,909,888	15,152,899	14,659.089	13,384,772
1,877,951	1,907,815	1,954,592	1,920,470	1,904,120	1,923,939	1,954,731
12,655,986	14,913,125	17,950,656	16,830,358	17,057,019	16,582,358	15,339,503
99.14	99.07	96.67	96.24	97.37	97.8	97.3
210,905	182,019	201,269	640,060	910,111	897,820	449,057
1.65	1.21	1.08	3.66	5.20	5.30	2.84
12,866,891	15,095,144	18,151,925	17,470,418	17,967,130	17,480,178	15,788,560
100.67	100.28	97.75	99.90	102.57	103.13	99.81
125,503	419,721	695,292	718,943	553,815	401,621	523,315
70,840	57,122	352,524	541,333	485,628	256,921	325,268
196,343	476,843	1,047,816	1,260,276	1,039,443	658,542	848,583
9.80	23,80	52.68	63.35	52.25	33.11	42.66

MUNICIPAL STATISTICS

Debenture Debt	1977	1978	1979
Water	291,000	410,000	324,000
Sewer	1,858,822	1,768,189	1,649,196
General	3,233,409	3,130,901	3,091,754
Gross Debenture Debt	5,383,231	5,309.090	5,064,950
Per Capita	274.70	270.91	258.45
Less: Sewer and Water Utilities Debt	2,149,822	2,178,189	1,973,196
Net Debt Excluding Utilities	3,233,409	3,130,901	3,091,754
Per Capita	178.77	159.72	157.77
Borrowing Power			
Gross Borrowing Power	17,840,166	15,378,949	15,448,276
Present Debt Less Statutory Deductions	5,237,713	4,219,996	4,902,950
Unused Borrowing Power	12,602,453	11,158,953	10,545,326
General Revenue Fund Statistics			
Budget	13,282,012	15,769,990	17,189,850
Actual Revenues	13,468,323	15,707,415	16,112,376
Actual Expenditures	13,437,533	15,698,628	16,086,461
Surplus	30,790	8,787	25,915
Expenditure Per Capita	685.69	799.03	820.86
Capital Expenditures			
Financed From General Revenue	993,429	712,501	669,716
Other Sources of Revenue			
Provincial Unconditional Grants	665,890	1,107,336	1,148,288
B.C. Hydro Grant	69,468	98,762	119,416
Business Tax	633,227	660,441	767,309
Land Sale Reserve Fund Balance	362,115	280,172	158,959
Building Permits			
Number Issued	270	209	279
Construction Values	7,516,372	11,203,859	15,944,467

1980	1981	1982	1983	1984	1985	1986
249,000	170,000	90,000	—	—	2,933,000	2,844,299
1,521,469	1,544,057	1,991,240	1,847,524	1,738,595	1,822,168	1,497,725
2,970,948	2,999,477	3,953,363	3,673,746	3,575,156	3,885,483	3,343,752
4,741,417	4,713,534	5,034,603	5,521,270	5,313,751	8,440,651	7,685,776
236.69	235.30	303.37	277.56	267.13	424.32	386.38
1,770,469	1,714,057	2,081,240	1,847,524	1,738,595	4,755,168	4,342,024
2,970,948	2,999,477	3,953,363	3,673,746	3,575,156	3,685,483	3,343,752
148.31	149.73	198.74	184.64	179.73	185.27	168.10
16,154,726	17,888,871	20,261,504	20,705,276	20,911,672	19,549,838	19,719,898
4,616,917	4,628,534	5,989,603	5,521,270	5,313,751	7,699,861	6,989,336
11,537,809	13,260,337	14,271,901	15,184,006	15,597,921	11,849,977	12,730,562
19,843,614	23,143,161	24,554,719	23,572,361	22,751,706	21,685,969	20,252,702
18,736,167	21,885,163	25,039,867	23,648,884	22,994,832	21,756,765	20,348,836
18,710,373	21,874,142	25,028,885	23,582,581	22,963,597	21,208,298	20,121,358
25,794	11,021	10,982	66,303	31,235	548,467	227,478
934.02	1,091.96	1,258.24	1,185.53	1,154.41	1,066.17	1,011.53
1,189,204	1,540,025	1,120,501	379,869	950,395	758,616	463,387
1,377,592	1,539,625	921,776	902,260	802,427	787,941	809,666
145,965	155,813	182,316	176,737	210,230	235,406	300,848
838,546	1,051,663	1,244,501	1,096,283	1,017,145	591,495	—
328,960	531,181	823,925	556,021	652,259	646,220	763,289
247	258	128	150	142	146	104
9,772,471	9,628,857	7,674,194	3,693,909	2,314,886	2,730,451	3,512,682